

RIDE FOR FIVE

Low-Income Transportation

Pilot Project Final Report

October 1, 2004 – March 31, 2005

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Attachments: (1) Data Sheets

- (a) Ridership Results
- (b) Site Data/Rider Profiles
- (c) Financial Impact
- (d) Comparative Ticket Sales (6 months)
- (e) Fleet Impact Analysis (3 years)
- (f) Fleet Impact Analysis (6 months)
- (2) Federal Poverty Guidelines/Sample Passport
- (3) Flyers [English and Bilingual]
- (4) Rider Survey Results

Section I: EXECUTIVE SUMMARY

From October 1, 2004 to March 31, 2005, Human Services and StarTran jointly operated a pilot project in an effort to increase ridership on the City's buses and Handi-Vans, and provide more affordable transportation to low-income individuals. The "Ride for Five" Low-Income Transportation (LIT) program made available bus passports for \$5 per month and Handi-Van passports for \$10 per month. (Note: Federal ADA Guidelines indicate the Handi-Van fares can be sold for no more than double the regular bus fare.)

Fourteen sites in the community were selected based on geographic location, client or resident need in the area, and willingness to participate. All sites provided voluntary personnel. Volunteer Partners, Inc. was contracted to do project oversight. Both English and bilingual information flyers were widely distributed and included site locations, hours, cost and criteria.

Over the six-month period, both bus and Handi-Van ridership continued to increase. In October, LIT sold 692 low-income passports. By March 2005, LIT was selling over 1,200 each month! Ridership included about 25% youth riders each month and was evenly split between males and females. Over the six-month period, ridership increased 15.2% over the prior year. Also, it is estimated that over 1,000 additional people are using public transportation on a regular basis.

We also conducted a ridership survey with 418 returns. Each site was represented in the responses. Rider surveys indicated 60% used the bus to get to work and 70% used the bus system as their primary mode of transportation.

Financially, the program cost \$76,878 compared to six months of the previous year, and was funded with \$70,000. A key point is that the Handi-Van program incurs 45% of the total program costs with only 6.5% of the total ridership increase.

Key recommendations include finding an alternative to the high cost of providing the Handi-Van service in its present form while still meeting the high needs of citizens with disabilities. Because self-sufficiency and economic development are a part of our community's success, both StarTran and Human Services would like to recommend leaving the Ride for Five bus program like it is so residents of all ages can continue to get to work, school, medical appointments, and shopping, and remain a vibrant part of our community.

Glossary of Terms

Fleet – A term used to refer to the City's full-size bus.

Handi-Van – Special large vans equipped to exclusively serve the citizens with disabilities.

Passport – A ticket allowing for one month of unlimited rides.

LIT – Low-Income Transportation; an opportunity to use discounted bus passports for eligible low-income people.

Brokerage Program – The need to contract out to private providers when Handi-Van services exceed 100%.

Ridership – The total number of times all individuals actually get on a bus.

Federal Poverty Level – The level of income necessary to qualify for Federal assistance.

Federal ADA Guidelines – Rules by the Federal government affecting disabled persons: Americans with Disabilities Act.

Section II: Project Description

2.A. Problem Statement

The first problem was a visual observation that most buses have the capacity to carry more people than currently ride. A second observation was that riding the bus was expensive. At \$30 per month (\$60 per month for Handi-Van), the bus was too expensive for low-income people either seeking employment or working minimum wage jobs to afford.

2.B. Project Goals and Objectives

The goal of the six-month pilot project was to see if our assumptions in the problem statement were correct. That is, if you decreased the cost would ridership increase? Next was the concern of charging too little and not having adequate resources in the budget. We proposed we could lower the cost of riding and still maintain a positive cash flow. An error at the time of beginning the project, was that we needed to examine positive cash flow as well as additional expenses to StarTran/Public Works Department.

2.C. Program Implementation

Step 1: In early September 2004, the City Council approved this Pilot Project from October 1, 2004 – March 31, 2005. It was to be administered by the Human Services Office. \$70,000 was transferred to StarTran for anticipated implementation costs. \$50,000 came from the previous scholarship program for low-income persons, and an additional \$20,000 was approved by the City Council.

Step 2: The Human Services Office contacted 9 original sites with the following criteria: they represented a variety of geographic locations throughout the City; they represented an area where low-income bus passes might be needed by the residents or customers of the area; they had to have access to a computer and the Internet; the entity was willing to sign a commitment for six months to be trained, record results, and sell tickets; and the site managers were willing to participate in team meetings as deemed necessary. The following sites made those commitments:

- Site 1 ➡ Lincoln Action Program – 210 ‘O’ Street
- Site 2 ➡ People’s City Mission – 110 ‘Q’ Street
- Site 3 ➡ Good Neighbor Center – 2617 ‘Y’ Street
- Site 4 ➡ Community Mental Health Center – 2200 St. Mary’s Avenue
- Site 5 ➡ C. Yoakum Family Resource Center – 4621 NW 48th Street
- Site 6 ➡ Southeast Community College – 8800 ‘O’ Street
- Site 7 ➡ Downtown Senior Center – 1005 ‘O’ Street
- Site 8 ➡ StarTran Office – 710 ‘J’ Street
- Site 9 ➡ Northeast YMCA – 2601 N 70th Street

Step 3: The program was titled “The Ride for Five”. Bus passes were to be sold for \$5 per month and Handi-Van for \$10 per month. Federal transportation ADA laws require the cost of the Handi-Van not to exceed double regular bus fare. Regular monthly passports were stamped for low-income riders. \$2,500 in tickets were purchased in Single Ride Tickets and given to Matt Talbot Kitchen and Outreach to serve truly no-income individuals.

Step 4: Asari Solutions, Inc., a local computer firm, was contracted to develop a web-based page to record ticket sales at each site. The sites recorded name, birth date, gender, age (youth, adult, senior) and month of purchase.

Step 5: Volunteer Partners, Inc. was contracted \$2,000 to conduct site manager training on the new computer program, distribute Ride for Five flyers and handle computer glitches. They were also asked to assist with project analysis.

- Step 6: Flyers marketing the program and the sites were created and distributed. They were also translated into five different languages including: Spanish; Vietnamese; Arabic; Bosnian; and Russian.
- Step 7: On September 15, 2004, tickets went on sale at all nine sites for the month of October. Low Income was based on 100% of Federal Poverty Guidelines. (Attachment 2)
- Step 8: In December 2004, it was noted by our site managers that most of the clientele purchasing tickets were Caucasian. January 1, 2005, five more sites were added to address this concern. They were:
- Site 10 ⇒ Hispanic Center – 2300 'O' Street
 - Site 11 ⇒ Indian Center, Inc. – 1100 Military Road
 - Site 12 ⇒ Malone Community Center – 2032 'U' Street
 - Site 13 ⇒ F Street Recreation Center – 1225 'F' Street
 - Site 14 ⇒ Heartland Big Brothers/Big Sisters – 6201 Havelock Avenue
- Step 9: In January 2005, the Midway report indicated a significant increase in ridership. Low-income ticket sales alone went from 692 in October 2004 to 1,028 in January 2005.
- Step 9b: At the same time, we anticipated the cost of the program was going to use the \$70,000 allocated because use of single ride fleet tickets declined significantly. Also, due to the increase in Handi-Van use, brokerage costs were significantly increased. Handi-Van participation went from 43 in October 2003 to 88 in October 2004. This number, while steady between 82-88 riders for the next six months, represents a significant increase in door-to-door service and is very costly.
- Step 10: The City Council requested a rider survey be taken which would indicate if these were new riders to the system and why they rode the bus. We also asked if they would consider a higher rate like \$10/\$20 in an effort to avoid returning to the original high cost. All sites received surveys to distribute throughout February and March 2005. (Attachment 4)

Step 11: In February, it was apparent the dollars required were going to exceed \$70,000. Participants continued to climb to over 1,200.

The Mayor agreed to transfer \$45,000 previously dedicated for additional drivers and the City Council approved \$25,000 from the Contingency Fund to keep the Ride for Five program the same until August 31, 2005.

Step 12: In April 2005, Building Strong Families Foundation donated \$5,000 to assist in the high cost of the program. StarTran and Human Services personnel met with Health and Human Services (HHS) to discuss a contract option next year. This contract would ensure an unlimited number of monthly bus passes to be available to HHS for their low-income clients. As of the date of this report, we have no confirmation of that happening.

Step 13: From May 2005 through June 2005, the Human Services Office will be working with community leadership to develop a list of legal options for StarTran to examine. The intent of these options will be to decrease the cost of the Handi-Van service in hopes of preserving the Ride for Five program at its pilot project cost.

Section III: Results

1. The number of actual riders steadily increased over last year's number of riders in the same six-month period.
 - A. Total bus riders increased 14.6%.
 - B. Total Handi-Van riders increased 34.5%.
 - C. Total average increase of 15.2%.
2. Over the six-month pilot project, 24-26% of our low-income transportation riders were youth. This is approximately 240 youth each month riding City buses. There was no comparative data available.
3. It appears, over the six-month pilot program, that over 1,000 additional people use the fleet/bus system on a regular basis each month; and over 50 people each month on the Handi-Van program.
4. Financially, the Handi-Van program costs more to operate in the City (\$43 per ride) than it does to broker the service (\$15 per ride). Given this situation, it appears 6.5% of the total StarTran ridership is incurring 45% of the total program costs.
5. 60% of 418 riders surveyed indicated they used the Ride for Five program to get to their place of employment.
6. 80% of the 418 riders surveyed said they feel a more active part of the Lincoln community.
7. Compared to the prior year, October 2003 through March 2004, this six-month pilot project incurred a total cost of \$76,878 (revenue decrease and higher brokerage costs).
8. 70% of the 418 surveyed had four or more reasons to use the bus—making it their primary method of transportation.

Section IV: Observations

1. If 6.5% of the total StarTran ridership is incurring 45% of the total program costs, there appears to be two options: (A) To increase the price of passports to help cover the higher costs of additional Handi-Van riders; or (B) To find an alternative to reduce Handi-Van costs of the current service.
2. If we, as a community, value economic development and self-sufficiency, then it would seem important to ensure residents can get to their jobs. People with jobs pay rent, need less public assistance or none at all, tend to have more personal pride and raise healthier families than those residents who are unemployed.
3. Vibrant communities take pride in providing a quality of life for all of its residents. By providing an affordable public transportation system, we will: increase ridership; reduce dependency on cars; potentially lower pollution; and see many of the recommendations in the Transportation Task Force Report become a reality.
4. To change the “culture” of riding a city bus system, you begin with the 25% youth ridership—not with the adults. Riding needs to be an every day occurrence; a chance to spend time with friends; and an easy route to get where you need to be! The public bus system needs to open and used by all.
5. The challenge becomes how to financially support a public transportation program that loses revenue, so that 70% of our low-income ridership can continue to use the bus as a primary means of transportation—including getting to work.
6. Improved route locations and timeliness of bus routes would be important issues to study at another time but were not the focus of this pilot.

Section V: Recommendations

1. StarTran should investigate options to operating and/or financing the Handi-Van service in a more affordable manner. This investigation should begin immediately and be a Number 1 Priority.
2. The City should, if at all possible, maintain the \$5/\$10 fares. 1,200 low-income riders a month indicates the high need for the bus service to people with limited incomes. These are residents who need public transportation to find or maintain a job providing them economic self-sufficiency.
3. Volunteer Partners, Inc.'s contract should be continued to provide oversight to the Low-Income Transportation Program; and 14-16 sites should be maintained. The community should acknowledge the tremendous contribution of StarTran and the volunteer community site managers. Volunteer Partners shall monitor the LIT computer program and update it as needed. Efforts should continue to disseminate transportation information in multi-lingual flyers.
4. StarTran should continue to explore new sources of funding from the business sector and broader community (faith-based organizations, school systems, medical community, etc.).
5. StarTran should continue to explore the potential of an annual contract with Nebraska Health and Human Services.
6. StarTran should pursue an economic arrangement with Lincoln Public Schools to encourage use of buses with our Junior High and High School populations.

For additional detailed report information, please call Lincoln/Lancaster County Human Services at 402-441-4944.